



Dated: November 14, 2018

The following is ORDERED:

Sarah A Hall
United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT FOR THE
WESTERN DISTRICT OF OKLAHOMA**

In re:

CATHOLIC UNIVERSITY OF
OKLAHOMA, *dba* ST. GREGORY'S
UNIVERSITY, INC.,

Debtor.

Case No. 17-15134 SAH

Chapter 7

BENEDICTINE FATHERS OF SACRED
HEART MISSION, INC., an Oklahoma
not for profit corporation;

Plaintiff,

v.

Adversary No. 18-01048 SAH

ST. GREGORY'S UNIVERSITY, INC., an
Oklahoma not for profit corporation, also
known as CATHOLIC UNIVERSITY OF
OKLAHOMA, INC., an Oklahoma not for
profit corporation, *d/b/a* ST. GREGORY'S
UNIVERSITY; CITIZEN POTAWATOMI
COMMUNITY DEVELOPMENT
CORPORATION, an enterprise of a
federally recognized Native American
tribe; CATHOLIC ORDER OF
FORESTERS, an Illinois fraternal benefit
society; CITIZEN POTAWATOMI
NATION, a federally recognized Native
American tribe,

Defendants.

**ORDER ON TRUSTEE'S MOTION TO COMPROMISE
CONTROVERSY AND SETTLE PENDING SUIT/ADVERSARY**
(RE Adversary No. 18-01048 SAH)

ON THIS DAY there comes on for consideration before this Court the above-described Motion of the Trustee to Compromise Controversy and settle pending Suit/Adversary, between the bankruptcy estate of Catholic University of Oklahoma, Inc., *dba* St. Gregory's University, Inc., (the "Estate"), the Benedictine Fathers of Sacred Heart Mission, Inc., ("Abbey"), the Citizen Potawatomi Community Development Corporation, ("CPNCD")¹, the Catholic Order of Foresters, ("Foresters"), and the Citizen Potawatomi Nation, ("CPN"), [Doc: 33]/[Doc: 35].¹ Upon representation of counsel, said Motion was filed October 22, 2018, notice was duly given to all parties in interest pursuant to Local Rule 9007-1, the time for response expired November 13, 2018, and no response or objection has been filed or served. Any findings of fact herein are based upon representations of counsel.

IT IS THEREFORE ORDERED: That the Trustee's Motion to Compromise is sustained, the proposed settlement set forth therein is approved and the Trustee is authorized to settle all claims of the Estate described in the Motion to Compromise upon the following terms as set forth therein:

- a. The Trustee will file a Motion to Sell Free and Clear of Liens and Encumbrances for the Estate's Interest in the real estate identified in the attached Exhibit "A," (the "Motion to Sell");
- b. The Motion to Sell will seek approval of a sale for a net purchase price of not less than the total payoff of the liens of CPNCD and Foresters and will provide that the liens of CPNCD and Foresters will attach to the sale proceeds;

¹At the direction of the Court Clerk, a "Corrected" Motion to Compromise was filed in Adversary No. 18-01048 SAH changing only the style of the motion. The mailing date for the pleading remained October 22, 2018.

- c. Upon entry of a final unappealed order approving the Motion to Sell, the Estate will execute and deliver to the Abbey a deed conveying the Stables/Shapes Center Property and all improvements as described in the attached Exhibit "B";
- d. Upon entry of a final unappealed order approving the Motion to Sell, the Estate will execute and deliver to the Abbey a deed conveying a tract of land containing a metal storage building owned by the Abbey, (the "Building Tract"), and all improvements as described in the attached Exhibit "C";
- e. Upon entry of a final unappealed order approving the Motion to Sell, the Abbey will execute and deliver to the Estate a deed conveying the Theater Property and all improvements as described in the attached Exhibit "D";
- f. Upon entry of a final unappealed order approving the Motion to Sell, the Estate and the Abbey will execute and deliver to one another: (1) an Access and Parking Easement Agreement in a form to be negotiated in good faith by and agreed to by the Estate, the Abbey and the Stalking Horse Buyer, and (2) Lease Agreement regarding a portion of the Theater Property in a form to be negotiated in good faith by and agreed to by the Abbey and the Stalking Horse Buyer;
- g. The CPN claim based upon an "Agreement" dated July 15, 2015, and a "Memorandum" recorded with the Pottawatomie County Clerk on May 12, 2016, as Instrument No. 201600005455 (filed as Proof of Claim No. 42), will be allowed as general unsecured claim in the amount of \$2,965,656,50;
- h. Upon entry of final unappealed orders granting this Motion to Compromise and approving the Motion to Sell, the parties will execute a Joint Stipulation of Dismissal with Prejudice of the Adversary Proceeding (Adv. No. 18-01048 SAH);
- i. Upon entry of final unappealed orders granting this Motion to Compromise and approving the Motion to Sell, the parties to the following actions will execute Dismissals with Prejudice in form and substance agreed to by such parties of: (1) the action styled: *CATHOLIC ORDER OF FORESTERS, an Illinois fraternal benefit society, v. ST. GREGORY'S UNIVERSITY, INC., an Oklahoma not for profit corporation, etc.*, Case No. CJ-2017-409 in the District Court of Pottawatomie County, Oklahoma; and (2) the action styled: *CITIZEN POTAWATOMI NATION, v. ST. GREGORY'S*

UNIVERSITY, INC., an Oklahoma not for profit corporation, also known as CATHOLIC UNIVERSITY OF OKLAHOMA INC., an Oklahoma not for profit corporation d/b/a ST. GREGORY'S UNIVERSITY, -and- BENEDICTINE FATHERS OF SACRED HEART MISSION, INC., a not for profit corporation, also known as ST. GREGORY'S ABBEY, Case No. CJ-2017-416 in the District Court of Pottawatomie County, Oklahoma, and will deliver the same to the escrow agent for the closing of the sale described in the Motion to Sell for recording upon closing of said sale;

- j. No party will be allowed a claim arising under 11 U.S.C. §502(h);
- k. All terms of settlement are conditioned upon approval of this Court and all parties stipulate that in the event this settlement is not approved by the Bankruptcy Court and/or if the settlement terms are not fulfilled by the parties, the representations made in the Motion to Compromise and terms therein will not be deemed to be admissions of any party or its counsel and will have no collateral estoppel or other binding effect in any further or future proceedings between the parties.

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APPROVED FOR ENTRY.

/s/ John D. Mashburn

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**ATTORNEYS FOR BENEDICTINE
FATHERS OF SACRED HEART
MISSION, INC.**

EXHIBIT A
Sale Tract

A tract of land lying in the South Half (S/2) of Section Two (2), Township Ten (10) North, Range Three (3) East of the Indian Meridian, Pottawatomie County, Oklahoma being more particularly described as follows:

BEGINNING at the southeast corner of the Southwest Quarter, also being the southwest corner of the Southeast Quarter of said Section 2; THENCE North 00°32'49" West, along the west line of said Southeast Quarter, also being the east line of said Southwest Quarter, a distance of 1,329.89 feet; THENCE South 89°27'17" West a distance of 176.51 feet to a point on the east line of an easement granted to the Oklahoma Gas and Electric Company recorded as Instrument No. 201800001275; THENCE North 00°30'25" West, along the east line of said easement, a distance of 566.04 feet to a point on a curve; THENCE Easterly along a non tangent curve to the right having a radius of 45.19 feet (said curve subtended by a chord which bears South 80°01'47" East a distance of 30.20 feet) for an arc distance of 30.79 feet; THENCE North 10°46'37" West a distance of 37.68 feet to a point on a curve; THENCE Southwesterly along a non tangent curve to the right having a radius of 32.94 feet (said curve subtended by a chord which bears South 47°24'20" West a distance of 29.01 feet) for an arc distance of 30.04 feet; THENCE South 78°37'59" West a distance of 36.31 feet to a point of curvature; THENCE Southwesterly along a curve to the left having a radius of 129.74 feet (said curve subtended by a chord which bears South 46°50'45" West a distance of 127.15 feet) for an arc distance of 132.89 feet; THENCE South 89°27'17" West a distance of 1,016.66 feet; THENCE North 00°31'41" West a distance of 846.19 feet to a point on the north line of the South Half of said Section 2; THENCE North 89°31'24" East, along the north line of said South Half of Section 2, a distance of 2,044.95 feet; THENCE South 00°27'10" East a distance of 189.43 feet; THENCE South 00°37'52" East a distance of 149.62 feet; THENCE South 89°20'29" West a distance of 40.98 feet; THENCE South 00°03'02" East a distance of 131.13 feet; THENCE North 88°36'14" East a distance of 102.24 feet; THENCE South 00°00'00" East a distance of 2,189.26 feet to a point on the south line of the Southeast Quarter of said Section 2; THENCE South 89°22'48" West, along said south line, a distance of 763.79 feet to the POINT OF BEGINNING.

LESS AND EXCEPT:

A tract of land lying in the Southeast Quarter (SE/4) of Section Two (2), Township Ten (10) North, Range Three (3) East of the Indian Meridian, Pottawatomie County, Oklahoma being more particularly described as follows: COMMENCING at the southwest corner of said Southeast Quarter; THENCE North 89°22'49" East, along the south line of said Southeast Quarter, a distance of 326.21 feet; THENCE North 00°00'00" West a distance of 1485.41 feet to the POINT OF BEGINNING; THENCE North 00°59'03" West a distance of 176.97 feet; THENCE North 89°43'57" East a distance of 176.87 feet; THENCE South 01°02'54" East a distance of 176.92 feet; THENCE South 89°42'58" West a distance of 177.07 feet to the POINT OF BEGINNING.

Said described tract of land contains an area of 3,191,260 square feet or 73.2612 acres more or less.

EXHIBIT B
Stables/Shapes Center Property

A tract of land lying in the Southwest Quarter (SW/4) of Section Two (2), Township Ten (10) North, Range Three (3) East of the Indian Meridian, Pottawatomie County, Oklahoma being more particularly described as follows:

COMMENCING at the southeast corner of the Southwest Quarter, also being the southwest corner of the Southeast Quarter of said Section 2; THENCE North 00°32'49" West, along the west line of said Southeast Quarter, also being the east line of said Southwest Quarter, a distance of 1,329.89 feet; THENCE South 89°27'17" West a distance of 176.51 feet to a point on the east line of an easement granted to the Oklahoma Gas and Electric Company recorded as Instrument No. 201800001275 and the POINT OF BEGINNING; THENCE continuing South 89°27'17" West a distance of 1144.21 feet; THENCE North 00°31'41" West a distance of 485.28 feet; THENCE North 89°27'17" East a distance of 1016.66 feet to a point on a curve; THENCE Northeasterly along a non tangent curve to the right having a radius of 129.74 feet (said curve subtended by a chord which bears North 46°50'45" East a distance of 127.15 feet) for an arc distance of 132.89 feet; THENCE North 78°37'59" East a distance of 36.31 feet to a point of curvature; THENCE Northeasterly along a curve to the left having a radius of 32.94 feet (said curve subtended by a chord which bears North 47°24'20" East a distance of 29.01 feet) for an arc distance of 30.04 feet; THENCE South 10°46'37" East a distance of 37.68 feet to a point on a curve; THENCE Westerly along a non tangent curve to the left having a radius of 45.19 feet (said curve subtended by a chord which bears North 80°01'47" West a distance of 30.20 feet) for an arc distance of 30.79 feet to a point on the east line of the aforesaid easement; THENCE South 00°30'25" East, along said east line, a distance of 566.04 feet to the POINT OF BEGINNING.

Said described tract of land contains an area of 564,352 square feet or 12.9557 acres, more or less.

EXHIBIT C
Building Tract

A tract of land lying in the Southeast Quarter (SE/4) of Section Two (2), Township Ten (10) North, Range Three (3) East of the Indian Meridian, Pottawatomie County, Oklahoma being more particularly described as follows:

COMMENCING at the southwest corner of said Southeast Quarter; THENCE North 89°22'49" East, along the south line of said Southeast Quarter, a distance of 763.79 feet; THENCE North 00°00'00" West a distance of 2,189.26 feet; THENCE South 88°36'14" West a distance of 102.24 feet; THENCE North 00°03'02" West a distance of 131.13 feet; THENCE North 89°20'29" East a distance of 40.98 feet; THENCE North 00°37'52" West a distance of 149.62 feet to the POINT OF BEGINNING; THENCE North 00°27'10" West a distance of 24.70 feet; THENCE South 88°56'28" East a distance of 51.16 feet; THENCE South 01°04'26" West a distance of 23.79 feet; THENCE North 89°58'08" West a distance of 50.51 feet to the POINT OF BEGINNING.

Said described tract of land contains an area of 1,232 square feet or 0.0283 acres, more or less.

EXHIBIT D
Theater Property

A tract of land lying in the Southeast Quarter (SE/4) of Section Two (2), Township Ten (10) North, Range Three (3) East of the Indian Meridian, Pottawatomie County, Oklahoma being more particularly described as follows:

COMMENCING at the southwest corner of said Southeast Quarter;

THENCE North 89°22'48" East, along the south line of said Southeast Quarter, a distance of 326.21 feet;

THENCE North 00°00'00" West a distance of 1485.41 feet to the POINT OF BEGINNING;

THENCE North 00°59'03" West a distance of 176.97 feet;

THENCE South 89°43'57" West a distance of 159.05 feet;

THENCE South 00°44'02" East a distance of 177.01 feet;

THENCE North 89°42'58" East a distance of 159.82 feet to the POINT OF BEGINNING.

Said described tract of land contains an area of 28,217 square feet or 0.6478 acres, more or less.

The basis of bearings for this legal description was North 89°22'48" East as the south line of the Southeast Quarter of Section 2, Township 10 North, Range 3 East of the Indian Meridian per the deed of record.